

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY Caption in Compliance with D.N.J. LBR 9004-1(b)	
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In re: BLOCKFI INC., et al., Debtors. ¹	Chapter 11 Case No. 22-19361 (MBK) Jointly Administered

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC. (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Debtors' service address is 201 Montgomery Street, Suite 263, Jersey City, NJ 07302.

APPLICATION FOR ORDER SHORTENING TIME AND CERTAIN OTHER RELIEF

The applicant, the Official Committee of Unsecured Creditors (the “Committee”) of BlockFi Inc., (“BlockFi” or the “Debtor”), by and through its proposed counsel, having filed substantially contemporaneously with this Application a motion to remedy the Debtor’s improper solicitation of its plan (the “Motion”), hereby requests that the time period required by D.N.J. LBR 9013-2(a) be shortened pursuant to Fed. R. Bankr. P. 9006(c)(1), and that an order be entered substantially in the form submitted herewith (the “**Order Shortening Time Period for Notice, Setting Hearing and Limiting Notice**”), for the reasons set forth below:

1. Friday evening, the Debtors filed with this Court a new proposed Plan and a new proposed Disclosure Statement.² Obviously, the Court has not approved the Disclosure Statement or any other solicitation documents/procedures; the objection deadline and hearing on the proposed Disclosure Statement are weeks away. And, yet, simultaneously with these filings, the Debtors filed and immediately posted on Twitter and published on their website an open letter to creditors arguing why they should vote in favor of the Plan.³ This was accompanied by self-styled “FAQs” that say things like this: “We strongly recommend that you vote to accept the plan. Our plan maximizes recovery for BlockFi clients and provides for the quickest possible distributions to clients, while allowing us to wind down in an orderly fashion.”⁴

² *First Amended Joint Chapter 11 Plan of BlockFi Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 875] (the “Plan”); *Disclosure Statement Relating to the First Amended Joint Chapter 11 Plan of BlockFi Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 874] (the “Disclosure Statement”).

³ *A Letter to Creditors* [Docket No. 873] (the “Creditor Letter”); Axelrod Declaration (attached as Exhibit “B” to the Motion) Exhibit 1 (selection from <https://blockfi.com/chapter-11-disclosure-statement-faq>, retrieved May 13, 2023, at 7:43 a.m. EST, the “FAQs”); Axelrod Declaration Exhibit 2 (Twitter thread regarding the Plan, Disclosure Statement and FAQs, posted May 12, 2023, the “Twitter Thread”).

⁴ FAQs.

2. Contemporaneously herewith, the Committee filed the Motion in an attempt to mitigate the irreparable harm caused by the Debtor's improper solicitation of the Plan.

3. Every single day the improper solicitation is permitted to remain accessible through the Debtor's channels, or the Committee's proposed curative language is not prominently posted, the harm resulting from the improper solicitation grows. The Committee respectfully requests that these matters be scheduled for a hearing **at the Court's earliest availability.**

4. Reduction of the time period requested by this Application is not prohibited under Fed. R. Bankr. P 9006(c)(2).

WHEREFORE, the Committee respectfully requests that this Court (i) grant the Application, (ii) enter the form of order substantially in the form submitted herewith, and (iii) grant such other and further relief as it deems necessary and appropriate.

Dated: May 15, 2023

GENOVA BURNS LLC

By: /s/ Donald W. Clarke

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